

# The Gazette of India

EXTRAORDINARY

PART II—Section 2

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## HOUSE OF THE PEOPLE

The following Bill was introduced in the House of the People on 14th May, 1954:—

BILL\* No. 25 OF 1954

*A Bill to provide for the payment of compensation and rehabilitation grants to displaced persons and for matters connected therewith.*

BE it enacted by Parliament in the Fifth Year of the Republic of India as follows:—

### CHAPTER I

#### PRELIMINARY

1. **Short title.**—This Act may be called the Displaced Persons (Compensation and Rehabilitation) Act, 1954.

2. **Definitions.**—In this Act, unless the context otherwise requires,—

(a) “compensation pool” means the compensation pool constituted under section 13;

(b) “displaced person” means any person who, on account of the setting up of the Dominions of India and Pakistan, or on account of civil disturbances or the fear of such disturbances in any area now forming part of West Pakistan, has, after the 1st day of March, 1947, left, or been displaced from, his place of residence in such area and who has been subsequently residing in India, and includes any person who is resident in any place now forming part of India and who for that reason is unable or has been rendered unable to manage, supervise or control any immovable property belonging to him in West Pakistan, and also includes the successors-in-interest of any such person;

(c) “evacuee property” means any property which has been declared or is deemed to have been declared an evacuee property under the Administration of Evacuee Property Act, 1950 (XXXI of 1950);

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\*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to the House of the People the consideration of the Bill.

(d) "public dues", in relation to a displaced person, includes—

(i) arrears of rent in respect of any property allotted or leased to the displaced person by the Central Government or a State Government or the Custodian of evacuee property;

(ii) any amount recoverable from the displaced person on account of loans granted to him by the Central Government or a State Government or the Rehabilitation Finance Administration constituted under the Rehabilitation Finance Administration Act, 1948 (XII of 1948), and any interest on such loans;

(iii) the amount of purchase money or any part thereof and any interest on such amount or part remaining unpaid and recoverable from the displaced person on account of transfer to him by the Central Government or a State Government of any property or any interest therein;

(iv) any other dues which may be declared by the Central Government, by notification in the Official Gazette, to be public dues recoverable from the displaced person;

(e) "verified claim" means any claim registered under the Displaced Persons (Claims) Act, 1950 (XLIV of 1950) in respect of which a final order has been passed under that Act or under the Displaced Persons (Claims) Supplementary Act, 1954 (12 of 1954);

(f) "prescribed" means prescribed by rules made under this Act;

(g) "West Pakistan" means the territories of Pakistan excluding the Province of East Bengal and includes the tribal areas of Tochi and Kurram and such other tribal areas adjoining the North West Frontier Province as may be specified in this behalf by order of the Central Government;

(h) all words and expressions used but not defined in this Act and defined in the Administration of Evacuee Property Act, 1950 (XXXI of 1950) have the meanings respectively assigned to them in that Act.

## CHAPTER II

### PAYMENT OF COMPENSATION AND REHABILITATION GRANTS TO DISPLACED PERSONS

3. Appointment of Chief Settlement Commissioner, etc.—(1) The Central Government may, by notification in the Official Gazette, appoint a Chief Settlement Commissioner, a Joint Chief Settlement Commissioner, a Deputy Chief Settlement Commissioner and as many settlement commissioners, additional settlement commissioners and settlement officers as may be necessary for the purpose of performing the functions assigned to them by or under this Act and may, by general or special order, provide for the distribution or allocation of work to be performed by them under this Act.

(2) Subject to the provisions of this Act, the Joint Chief Settlement Commissioner, the Deputy Chief Settlement Commissioner and

all settlement commissioners, additional settlement commissioners and settlement officers shall perform the functions assigned to them by or under this Act under the general superintendence and control of the Chief Settlement Commissioner.

**4. Application for payment of compensation.**—(1) Subject to any rules that may be made under this Act, the Central Government may, from time to time, by notification in the Official Gazette, specify the class or classes of displaced persons entitled to make applications for payment of compensation.

(2) Any displaced person belonging to any of the classes specified in the notification issued under sub-section (1) may, within such time and in such form as may be prescribed, make an application in writing to the settlement officer having jurisdiction over the proceeding for payment of compensation to him stating therein the amount of his verified claim, the amount, if any, of the public dues recoverable from him, the property, if any, allotted or leased to him by the Central Government or any State Government or the Custodian and such other particulars as may be prescribed.

**5. Determination of public dues by settlement officers.**—On receipt of an application under section 4, the settlement officer shall, after making an inquiry in such manner as may be prescribed, pass an order determining the amount of public dues, if any, recoverable from the applicant and shall forward the application and the record of the case to the settlement commissioner.

**6. Determination of the amount of compensation.**—(1) On receipt of an application for payment of compensation together with the record of the case forwarded under section 5, the settlement commissioner shall make an inquiry in such manner as may be prescribed and having due regard to the prescribed scales of compensation, the nature of the verified claim and other circumstances of the case, he shall ascertain the amount of compensation to which the applicant is entitled.

(2) On ascertaining the amount of compensation to which an applicant is entitled under sub-section (1), the settlement commissioner shall deduct therefrom the following dues recoverable from the applicant, namely:—

(a) the amount, if any, of the public dues recoverable from the applicant under section 5;

(b) where any communication is received from any Tribunal under section 52 of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951), the debts payable by the applicant in accordance with the provisions of that Act; and

(c) such other dues, if any, as may be prescribed.

(3) After deducting the dues referred to in sub-section (2), the settlement commissioner shall make an order determining the net amount of compensation payable to the applicant.

**7. Form and manner of payment of compensation.**—(1) A displaced person shall be paid out of the compensation pool the amount of compensation determined under sub-section (3) of section 6 as being payable to him, and subject to any rules that may be made

under this Act, the settlement commissioner or any other officer or authority authorised by the Chief Settlement Commissioner in this behalf may make such payment in any one of the following forms or partly in one and partly in any other form, namely:—

- (a) in cash;
- (b) in Government bonds;
- (c) by sale to the displaced person of any property from the compensation pool and setting off the purchase money against the compensation payable to him;
- (d) by any other mode of transfer to the displaced person of any property from the compensation pool and setting off the valuation of the property against the compensation payable to him;
- (e) by transfer of shares or debentures in any company or corporation;
- (f) in such other form as may be prescribed.

(2) For the purpose of payment of compensation under this Act, the Central Government may, by rules, provide for all or any of the following matters, namely:—

- (a) the classes of displaced persons to whom compensation may be paid;
- (b) the scales according to which, the form and manner in which, and the instalments by which, compensation may be paid to different classes of displaced persons;
- (c) the valuation of all property, shares and debentures to be transferred to displaced persons;
- (d) any other matter which has to be, or may be, prescribed.

**8. Payment of compensation in cases of dispute.**—Where there is any dispute as to the person or persons who are entitled to the compensation (including any dispute as to who are the successors-in-interest of any deceased claimant to compensation) or as to the apportionment of compensation among persons entitled thereto, the settlement commissioner may,—

- (a) after making an inquiry, in such manner as may be prescribed, decide such dispute:

Provided that nothing in this clause shall debar any person aggrieved by such decision to have the dispute decided in a civil court; or

- (b) refer the parties to a civil court for the decision of the dispute;

and such decision of a civil court shall be binding on the settlement commissioner.

**9. Special procedure for payment of compensation in certain cases.**—Where any immovable property has been leased or allotted to a displaced person by the Custodian under the conditions published—

- (a) by the notification of the Government of Punjab in the Department of Rehabilitation No. 4891-S or 4892-S, dated the 8th July, 1949; or

(b) by the notification of the Government of Patiala and East Punjab States Union in the Department of Rehabilitation No. 8R or 9R, dated the 23rd July, 1949, and published in the Official Gazette of that State, dated the 7th August, 1949,

and such property is acquired under the provisions of this Act and forms part of the compensation pool, the displaced person shall, so long as the property remains vested in the Central Government, continue in possession of such property on the same conditions as he held the property immediately before the date of the acquisition, and the Central Government may, for the purpose of payment of compensation to such displaced person, transfer to him such property in such manner and in such rights and to such extent as may be prescribed.

*Explanation.*—For the removal of doubts, it is hereby declared that the notifications of the Government of Patiala and East Punjab States Union Nos. 7R, 8R and 9R, dated the 23rd July, 1949, and published in the Official Gazette on the 7th August, 1949, purporting to have been made under the provisions of the Patiala and East Punjab States Union Evacuees (Administration of Property) Ordinance, 2006 (Ordinance No. XIII of 2006) shall be deemed to have been issued under the provisions of the Patiala and East Punjab States Union Administration of Evacuee Property Ordinance, 2006 (Ordinance No. XVII of 2006) and the said notifications shall not be invalid and shall be deemed never to have been invalid merely by reason of the fact that they were expressed to have been issued under the provisions of the said Ordinance No. XIII of 2006, and anything done or any action taken (including any lease or allotment granted or made) under the provisions of the said notifications shall, notwithstanding any defect in, or invalidity of, the said notifications, be deemed for all purposes to have been validly done or taken as if the said notifications were issued under the provisions of the aforesaid Ordinance No. XVII of 2006 and this section were in force on the day on which such thing was done or action was taken.

**10. Rehabilitation and other grants to displaced persons.**—(1) The Central Government may, for the relief and rehabilitation of displaced persons, direct payment of any rehabilitation grant or other grant out of the compensation pool to a displaced person and to any public institution administered for the benefit of displaced persons under such conditions and to such extent and in such form and manner as may be prescribed.

(2) All payments made before the commencement of this Act by the Central Government in respect of maintenance allowance to displaced persons shall be deemed to have been validly made under subsection (1) and shall be recoverable by the Central Government out of the compensation pool.

### CHAPTER III

#### COMPENSATION POOL FOR PURPOSES OF PAYMENT OF COMPENSATION AND REHABILITATION GRANTS TO DISPLACED PERSONS

**11. Power to acquire evacuee property for rehabilitation of displaced persons.**—(1) If the Central Government is of opinion that it is necessary to acquire any evacuee property for a public purpose,

being a purpose connected with the relief and rehabilitation of displaced persons, including payment of compensation to such persons, the Central Government may at any time acquire such evacuee property by publishing in the Official Gazette a notification to the effect that the Central Government has decided to acquire such evacuee property in pursuance of this section.

(2) On the publication of a notification under sub-section (1), the right, title and interest of any evacuee in the evacuee property specified in the notification shall, on and from the beginning of the date on which the notification is so published, be extinguished and the evacuee property shall vest absolutely in the Central Government free from all encumbrances.

(3) It shall be lawful for the Central Government, if it so considers necessary, to issue from time to time the notification referred to in sub-section (1) in respect of—

- (a) all evacuee property generally; or
- (b) any class of evacuee property; or
- (c) all evacuee property situated in a specified area; or
- (d) any particular evacuee property.

(4) All evacuee property acquired under this section shall form part of the compensation pool.

**12. Compensation for evacuee property acquired under this Act.—**There shall be paid to an evacuee compensation in respect of his property acquired under section 11 in accordance with such principles and in such manner as may be agreed upon between the Government of India and Pakistan.

**13. Compensation pool.—**(1) For the purpose of payment of compensation and rehabilitation grants to displaced persons, there shall be constituted a compensation pool which shall consist of—

- (a) all evacuee property acquired under section 11, including the sale proceeds of any such property and all profits and income accruing from such property;
- (b) such cash balances lying with the Custodian as may, by order of the Central Government, be transferred to the compensation pool;
- (c) such contributions, in any form whatsoever, as may be made to the compensation pool by the Central Government or any State Government;
- (d) such other assets as may be prescribed.

(2) The compensation pool shall vest in the Central Government free from all encumbrances and shall be utilised in accordance with the provisions of this Act and the rules made thereunder.

**14. Exemption of property in compensation pool from processes of courts.—**No property which forms part of the compensation pool and which is-vested in the Central Government under the provisions of this Act shall be liable to be proceeded against for any claim in any manner whatsoever in execution of any decree or order or by any other process of any court or other authority.

**15. Management of compensation pool.**—(1) The Central Government may take such measures as it considers necessary or expedient for the custody, management and disposal of the compensation pool in order that it may be effectively utilised in accordance with the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, the Central Government may, for the purposes referred to in sub-section (1), by notification in the Official Gazette,—

(a) appoint such officers as it may deem fit (hereinafter referred to as managing officers); or

(b) constitute such authority or corporation as it may deem fit (hereinafter referred to as managing corporation).

(3) Every managing corporation shall be constituted under such name and shall consist of such number of persons as may be specified in the notification, and every such corporation shall be a body corporate having perpetual succession and a common seal and shall by the said name sue and be sued.

**16. Special provision for constitution of Welfare Corporation.**—

(1) Without prejudice to the provisions of section 15, there shall be constituted a managing corporation to be called the Displaced Persons Welfare Corporation (hereinafter referred to as the Welfare Corporation) for the purpose of rendering assistance to trusts entitled to compensation under this Act and performing such other functions as may be assigned to it by or under this Act.

(2) The Welfare Corporation shall consist of a Chairman and such number of other members, not less than four and not exceeding ten, as the Central Government may think fit to appoint, and the members (including the Chairman) shall hold office during the pleasure of the Central Government.

(3) The Central Government may transfer to the Welfare Corporation such amount out of the compensation pool, in any form whatsoever, as would be payable by way of compensation to the trusts entitled thereto under this Act and also such other property as the Central Government may, from time to time, think fit to transfer to it; and all such property and income accruing therefrom shall form the Fund of the Welfare Corporation.

(4) Subject to the provisions of this Act, the Fund shall be applied by the Welfare Corporation, in such manner and subject to such conditions as may be prescribed, to—

(a) meeting the expenses in connection with the administration of the Welfare Corporation;

(b) rendering assistance to any trust entitled to compensation under this Act;

(c) providing educational and medical facilities generally for the benefit of displaced persons;

(d) performing such other functions generally for the welfare of displaced persons as may be prescribed.

**17. Functions and duties of managing officers and managing corporations.**—(1) All managing officers or managing corporations shall perform such functions as may be assigned to them by or under this Act under the general superintendence and control of the Chief Settlement Commissioner.

(2) Subject to the provisions of this Act and the rules made thereunder, a managing officer or managing corporation may take such measures as he or it considers necessary or expedient for the purpose of securing, administering, preserving, managing or disposing of any property in the compensation pool entrusted to him or it and generally for the purpose of satisfactorily discharging any of the duties imposed on him or it by or under this Act and may, for any such purpose as aforesaid, do all acts and incur all expenses necessary or incidental thereto.

(3) Any amount due to the Custodian in respect of any evacuee property acquired under this Act for any period prior to the date of the acquisition shall vest in, and be payable to, the Central Government and shall be recoverable by the managing officer or managing corporation from the person liable to pay the same.

**18. Power to vary or cancel leases or allotment of any property acquired under this Act.**—(1) Notwithstanding anything contained in any contract or any other law for the time being in force, the managing officer or managing corporation may cancel any allotment or terminate any lease or amend the terms of any lease or allotment under which any evacuee property acquired under this Act is held or occupied by a person, whether such allotment or lease was granted before or after the commencement of this Act.

(2) Where by reason of any action taken under sub-section (1), any person has ceased to be entitled to possession of any evacuee property acquired under this Act, he shall, on demand by the managing officer or managing corporation, surrender possession of such property to such officer or corporation or to any person duly authorised by him or it in this behalf.

(3) If any person fails to surrender possession of any property on demand under sub-section (2), the managing officer or managing corporation may, notwithstanding anything to the contrary contained in any other law for the time being in force, eject such person and take possession of such property and may, for such purpose, use or cause to be used such force as may be necessary.

**19. Power to transfer property out of the compensation pool.**—(1) Subject to any rules that may be made under this Act, the managing officer or managing corporation may transfer any property out of the compensation pool—

(a) by sale of such property to a displaced person or an association of displaced persons, whether incorporated or not, or to any other person, whether the property is sold by public auction or otherwise;

(b) by lease or allotment of any such property to a displaced person or an association of displaced persons, whether incorporated or not;



(c) in the case of a share of an evacuee in a company, by transfer of such share to a displaced person, notwithstanding anything to the contrary contained in the Indian Companies Act, 1913 (VII of 1913) or in the memorandum or articles of association of such company;

(d) in such other manner as may be prescribed.

(2) Every managing officer or managing corporation selling any immovable property by public auction under sub-section (1) shall be deemed to be a Revenue officer within the meaning of sub-section (4) of section 89 of the Indian Registration Act, 1908 (XVI of 1908).

(3) Where the ownership of any property has passed to the buyer before the payment of the whole of the purchase money, the amount of the purchase money or any part thereof remaining unpaid and any interest on such amount or part shall, notwithstanding anything to the contrary contained in any other law, be a first charge upon the property in the hands of the buyer or any transferee from such buyer and may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue.

**20. Recovery of arrears.**—Any sum due to the Custodian in respect of any evacuee property acquired under this Act for any period prior to the date of the acquisition, or to the Central Government in respect of any property in the compensation pool may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue.

#### CHAPTER IV

##### APPEAL, REVISION AND POWERS OF OFFICERS UNDER THE ACT

**21. Appeals to the Settlement Commissioner.**—(1) Subject to the provisions of sub-section (2), any person aggrieved by an order of the settlement officer under this Act may, within thirty days from the date of the order, prefer an appeal to the settlement commissioner in such form and manner as may be prescribed:

Provided that the settlement commissioner may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) No appeal shall lie from an order of the settlement officer under section 5 if the difference between the amount of public dues as determined by the settlement officer and that as admitted by the applicant is less than one thousand rupees or such other amount not exceeding one thousand rupees as may be specified by the Central Government in this behalf, by notification in the Official Gazette.

(3) The settlement commissioner may, after hearing the appeal, confirm, vary or reverse the order appealed from and pass such orders in relation thereto as he deems fit.

**22. Appeals to the Chief Settlement Commissioner.**—(1) Subject to the provisions of sub-section (2), any person aggrieved by an order of the settlement commissioner or the additional settlement commissioner under this Act may, within thirty days from the date of the

order, prefer an appeal to the Chief Settlement Commissioner in such form and manner as may be prescribed:

Provided that the Chief Settlement Commissioner may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) No appeal shall lie from any order of the settlement commissioner passed in appeal under section 21.

(3) The Chief Settlement Commissioner may, after hearing the appeal, confirm, vary or reverse the order appealed from and pass such orders in relation thereto as he deems fit.

**23. Power of revision of the Chief Settlement Commissioner.—**

(1) The Chief Settlement Commissioner may at any time call for the record of any proceeding under this Act in which the settlement officer or additional settlement commissioner or settlement commissioner or managing officer or managing corporation has passed an order for the purpose of satisfying himself as to the legality or propriety of any such order and may pass such order in relation thereto as he thinks fit.

(2) Without prejudice to the generality of the foregoing power under sub-section (1), if the Chief Settlement Commissioner is satisfied that any order for payment of compensation to a displaced person or any lease or allotment granted to such a person has been obtained by him by means of fraud, false representation or concealment of any material fact, then, notwithstanding anything contained in this Act, the Chief Settlement Commissioner may pass an order directing that no compensation shall be paid to such a person or reducing the amount of compensation to be paid to him, or as the case may be, cancelling the lease or allotment granted to him; and if it is found that a displaced person has been paid compensation which is not payable to him, or which is in excess of the amount payable to him, such amount or excess of the amount, as the case may be, may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue.

(3) No order which prejudicially affects any person shall be passed under this section without giving him a reasonable opportunity of being heard.

**24. Review and amendment of orders.—**(1) Any person aggrieved by an order of the settlement officer under section 5, from which no appeal is allowed under section 21, may, within thirty days from the date of the order, make an application in such form and manner as may be prescribed, to the settlement officer for review of his order and the decision of the settlement officer on such application shall, subject to the provisions of section 23, be final.

(2) Clerical or arithmetical mistakes in orders passed by a settlement officer or an additional settlement commissioner or a settlement commissioner or the Chief Settlement Commissioner or errors arising therein from any accidental slip or omission may, at any time, be corrected by the settlement officer or additional settlement commissioner or settlement Commissioner or the Chief Settlement Commissioner, as the case may be.

**25. Powers of Settlement Officers etc.—**(1) The Chief Settlement Commissioner or the Joint Chief Settlement Commissioner or the Deputy Chief Settlement Commissioner or a settlement commissioner or an additional settlement commissioner or a settlement officer shall, for the purpose of making any inquiry or hearing any appeal under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (Act V of 1908) when trying a suit, in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) requisitioning any public record from any court or office;

(d) issuing commissions for the examination of witnesses;

(e) appointing guardians or next friends of persons who are minors or of unsound mind;

(f) any other matter which may be prescribed;

and any proceeding before any such officer shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code (Act XLV of 1860) and every such officer shall be deemed to be a civil court within the meaning of sections 480 and 482 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(2) The Chief Settlement Commissioner or any other officer hearing an appeal under this Act shall, subject to the provisions of this Act, have such further powers as are vested in a civil court under the Code of Civil Procedure, 1908 (Act V of 1908) when hearing an appeal.

**26. Finality of orders.**—Save as otherwise expressly provided in this Act, every order made by any settlement officer, additional settlement commissioner, settlement commissioner, managing officer, managing corporation or the Chief Settlement Commissioner shall be final and shall not be called in question in any court by way of an appeal or revision or in any original suit, application or execution proceedings.

## CHAPTER V

### MISCELLANEOUS

**27. Power to transfer cases.**—The Central Government or the Chief Settlement Commissioner may, by order in writing at any time, transfer any case pending before an officer appointed under this Act to another officer and the officer to whom the case is so transferred may, subject to any special direction in the order of transfer, proceed from the stage at which it was so transferred.

**28. Certain displaced persons not to be ejected for two years.**—Where a displaced person is in lawful possession of any property comprised in the compensation pool which is transferred to another person under the provisions of this Act, then, notwithstanding anything contained in any other law, the displaced person shall, without

prejudice to any other right which he may have in the property, be deemed to be a tenant of the transferee for a period of two years from the date of the transfer and shall not be liable to be ejected during that period:

Provided that nothing in this section shall apply to a displaced person who fails to pay regularly rent of such property or mis-uses such property.

**29. Power to give directions.**—The Central Government may give directions to any State Government as to the carrying into execution in the State of any of the provisions contained in this Act or of any rules or orders made thereunder.

**30. Delegation of powers.**—(1) The Central Government may, by notification in the Official Gazette, direct that any power exercisable by it under this Act shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercisable also by such officer or authority subordinate to the Central Government or by the State Government or by such officer or authority subordinate to the State Government as may be specified in the notification.

(2) Subject to the provisions of this Act and of the rules and orders made thereunder, the Chief Settlement Commissioner may, by general or special order, delegate all or any of his powers under this Act to the Joint Chief Settlement Commissioner, the Deputy Chief Settlement Commissioner or any settlement commissioner, subject to such conditions, if any, as may be specified in the order.

**31. Penalty.**—(1) Any person who furnishes in his application for payment of compensation any information which he knows, or has reason to believe, to be false or which he does not believe to be true, shall be punishable with imprisonment which may extend to two years or, with fine, or with both.

(2) No court shall take cognizance of any offence punishable under this Act save upon complaint in writing made by an officer authorised by the Chief Settlement Commissioner by general or special order in this behalf.

**32. Bar of jurisdiction.**—Save as otherwise expressly provided in this Act, no civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Central Government or any of the officers appointed under this Act is empowered by or under this Act to determine, and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

**33. Officers appointed under the Act to be public servants.**—The Chief Settlement Commissioner, the Joint Chief Settlement Commissioner, the Deputy Chief Settlement Commissioner and all settlement commissioners, additional settlement commissioners and settlement officers appointed under this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (Act XLV of 1860).

**34. Protection of action taken in good faith.**—No suit or other legal proceeding shall lie against the Central Government or any person appointed under this Act in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or orders made thereunder.

**35. Validation of certain action taken before the commencement of the Act.**—Anything done or any action taken (including any order made) by the Chief Settlement Commissioner, settlement commissioners, additional settlement commissioners or settlement officers for the purposes of payment of compensation or rehabilitation grants or other grants to displaced persons shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken in the exercise of the powers conferred by or under this Act as if this Act were in force on the date on which such thing was done or action was taken.

**36. Power to make rules.**—(1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the form and manner in which, and the time within which, an application for payment of compensation may be made and the particulars which it may contain;

(b) the classes of displaced persons who may apply for payment of compensation and to whom compensation may be paid;

(c) the scales according to which, the form and manner in which, and instalments by which, compensation may be paid to displaced persons;

(d) the dues which may be deducted from the amount of compensation to which a displaced person is entitled;

(e) the form and manner in which Government bonds may be issued to displaced persons;

(f) valuation of property, shares and debentures which may be transferred to displaced persons;

(g) the manner in which, the extent to which, and the rights in which, property may be transferred to displaced persons under section 9;

(h) the circumstances under which, the extent to which and the manner in which, rehabilitation grants and other grants may be paid to a displaced person;

(i) the principles according to which, and the manner in which, compensation may be paid to an evacuee in respect of any evacuee property acquired under this Act;

(j) the powers, functions and duties of managing officers and managing corporations;

(k) the composition of Welfare Corporation and its powers, functions and duties;

(l) the procedure for the transfer of property out of the compensation pool and the manner of realisation of the sale proceeds or the adjustment of the value of the property transferred against the amount of compensation;

(m) the procedure to be followed by settlement officers and settlement commissioners in making inquiries under this Act;

(n) the form and manner in which appeals and applications for review or revision may be preferred or made under this Act and the procedure for hearing such appeals or applications for review or revision;

(o) the powers vested in a civil court which may be exercised by an officer appointed under this Act;

(p) the form and manner in which records and books of accounts may be maintained under this Act;

(q) any other matter which has to be, or may be, prescribed under this Act.

#### STATEMENT OF OBJECTS AND REASONS

Negotiations have been in progress with the Government of Pakistan for more than six years with a view to arrive at an equitable solution of the problem of immovable evacuee property. The Government of India have all through been of the view that the immovable evacuee properties including agricultural land in India and Pakistan should be exchanged in lump on Government to Government basis, the debtor country paying to the creditor for the difference between the values of such properties in the two countries. The proposals made by the Government of India from time to time have, however, been turned down by Pakistan. There has been a persistent demand from displaced persons that these properties should be transferred to them in permanent ownership. The properties have been fast deteriorating and many of them have already been declared unfit for habitation or have crumbled down. To halt further deterioration and to facilitate the rehabilitation of displaced persons from West Pakistan, this Bill provides that the right, title and interest of evacuees in evacuee properties in India should be acquired by Government. The compensation to be paid to displaced persons will be confined to the utilisation of the acquired evacuee property in India as well as any amount realised from Pakistan on account of the difference between the values of evacuee properties in the two countries. The loans so far advanced to displaced persons from West Pakistan, the properties built by the Government for their rehabilitation and the provision made till May 1953 for their rehabilitation for the future under the Five Year Plan or otherwise will be utilised for rehabilitation by giving grants. The Bill provides for the payment of rehabilitation grants.

2. The Bill provides for the appointment of a Chief Settlement Commissioner, settlement commissioners and settlement officers who will determine and pay the amount of compensation and rehabilitation grant payable to persons having verified claims. Managing officers and managing corporations will be entrusted with the custody, management and disposal of the assets in the pool.

The Bill provides for the setting up of the Displaced Persons Welfare Corporation for the purpose of providing educational and medical facilities to displaced persons from West Pakistan and rendering assistance to institutions engaged in such activities. The payments due to educational and medical trusts with verified claims will be placed at the disposal of this corporation along with other properties for being utilised for the above mentioned purpose.

AJIT PRASAD JAIN.

NEW DELHI;

*The 13th May, 1953.*

### FINANCIAL MEMORANDUM

The Bill envisages the distribution as compensation and rehabilitation grants to displaced persons from West Pakistan of assets worth roughly Rs. 185 crores including acquired evacuee properties worth about Rs. 100 crores. In addition evacuee agricultural lands in Punjab/Pepsu and other States will be acquired and utilised.

2. Sub-clause (1) of clause 3 of the Bill provides for the appointment of Chief Settlement Commissioner, Joint Chief Settlement Commissioner, Deputy Chief Settlement Commissioner and as many settlement commissioners, assistant settlement commissioners and settlement officers etc., as may be necessary for the purpose of performing the functions assigned to them by or under the Bill. A Chief Settlement Commissioner and some settlement commissioners, settlement officers and valuation officers are already functioning for the implementation of the Interim Compensation Scheme under which part compensation is being paid to certain priority categories of displaced persons. The services of these officers will be utilised for work under this Bill. An expenditure of about Rs. 40 lakhs will be incurred on such officers and staff during the current financial year, and will be met out of the budget of the Ministry of Rehabilitation under Demand No. 57—Miscellaneous as already voted by the Parliament.

### MEMORANDUM OF DELEGATED LEGISLATION

Clauses 7(2) and 36 of the Bill empower the Central Government to make rules. The matters in respect of which such rules may be made are specified therein. The Central Government will also be empowered to issue notifications and orders in certain cases.

Payment of compensation and rehabilitation grants to nearly four lakhs of displaced persons by utilising the acquired evacuee property and properties built for them by Government, after adjusting the rehabilitation loans and other benefits already taken, will be a highly complicated process. The practical difficulties are enhanced because the displaced persons have been in occupation of these properties for some years and final settlement has to be carried out so as to cause the least possible dislocation. The problems which will arise in the course of such payments will differ in different areas according to the nature of the properties available for distribution. Similarly, various classes of displaced persons will have to be

differently dealt with according to their needs and circumstances. In view of the magnitude and the complex nature of the problems, some of the provisions of the Bill have been framed in general terms only and lay down broad principles. Matters such as payment of compensation and rehabilitation grants, the manner of payment, whether in the form of cash or property, the method of making applications and inquiring into them and other matters of procedure have been left to be regulated by rules. Such delegation of the legislative power is of a normal character.

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M. N. KAUL,  
*Secretary.*